

IRS News Release

Media Relations Office

Washington, D.C.

Media Contact: 202.622.4000

www.irs.gov/newsroomPublic Contact: 800.829.1040

IRS Offers Small Businesses New Tools to Help Manage Retirement Plans

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WASHINGTON — The Internal Revenue Service today introduced two new tools to help small businesses keep their employee retirement plans compliant with federal tax law. These tools — a suite of retirement-plan “Check-Ups” and an employer newsletter — will help employers better understand their retirement plans and stay up to date with new developments.

“Small business owners have told us they want more information on how to choose, establish and operate their retirement plans,” said Carol Gold, Director of Employee Plans for the IRS. “The IRS is committed to providing businesses with the information they need and presenting it in a quick and easy format. We want all plans to stay compliant and we will do everything we can to help.”

To ensure the compliance of their retirement plans, the IRS encourages business owners to review one of three Check-Ups — for SIMPLE IRA, SEP or SARSEP retirement plans — which are found on the Retirement Plans page on IRS.gov. Each Check-Up is geared to one of these IRA-based retirement plans commonly operated by small businesses.

The Check-Ups go straight to the issues where IRS examiners most frequently find problems. For example, the SIMPLE IRA Plan checklist asks: “Is this SIMPLE IRA plan your business’s only employee retirement plan?” If the answer is “No”, the plan may not be compliant since a business with a SIMPLE IRA plan generally cannot also sponsor any other retirement plan, such as a 401(k) plan. Each checklist has 10 simple questions with plain language explanations of the tax law, advice on how to fix a problem and links to further information.

Retirement plans need ongoing attention in order to stay compliant. Small business owners can help ensure their plans stay compliant by subscribing to *Retirement News for Employers*, a new periodic newsletter from the IRS.

Each edition of the newsletter will address the special concerns of small businesses in relation to the plans they maintain for their employees. The debut issue, scheduled for release the week of May 17, contains articles on retirement issues for re-employed veterans, new products such as a troubleshooter for plan administrators, and a calendar of events noting filing deadlines, seminars and more.

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Businesses may subscribe to the newsletter by visiting the Retirement Plans page. Subscribers will receive an e-mail containing a link to each edition of the newsletter. In addition, previous issues will be archived on the Internet site.

“For many business owners, a retirement plan is a big incentive in attracting and retaining employees,” said Mark O’Donnell, Director Customer Education and Outreach for Employee Plans. “Our goal with this newsletter is to deliver to business owners timely and relevant information about all things retirement-related.”

In addition to the Check-Ups and newsletter, the IRS encourages small business owners to take advantage of other information available on the Retirement Plans page. There, small business owners will find other resources on IRA-based retirement plans, IRS guidance and a wide array of forms and publications.

Links on IRS.gov:

- Retirement Plans, <http://www.irs.gov/retirement/index.html>
- Check-Up for Your SEP, SIMPLE or Similar Plan, <http://www.irs.gov/retirement/article/0,,id=117534,00.html>
- Retirement News for Employers, <http://www.irs.gov/retirement/article/0,,id=122823,00.html>